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Attorney for Debtor-in-Possession

**UNITED STATES BANKRUPTCY COURT**

**DISTRICT OF NEVADA**

IN RE:  
  
LEAP FORWARD GAMING, INC.,

CASE NO. 16-50850-BTB  
CHAPTER 11

Debtor-in-Possession.

**AMENDMENT TO (Proposed)  
DISCLOSURE STATEMENT OF LEAP  
FORWARD GAMING, INC.**

**Hearing Date: September 6, 2016  
Hearing Time: 2:00 p.m.**

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Leap Forward Gaming, Inc. (the "Debtor" or "LFG"), debtor and debtor-in-possession,  
amends proposed Disclosure Statement, **DE 51**, to include, in Section 3a. the following:

**Pre Petition Litigation**

In addition to the litigation with IGT described below, at the Petition Date, LFG was a  
party to three lawsuits:

1. LFG v. Andrew Novotak, Jr., Case No. CV15-02014, Second Judicial District  
Court, Washoe County;
2. Andrew Novotak, Jr. v. LFG, Ali Saffari, Case No. CV15-02420, Second Judicial  
District Court, Washoe County; and
3. Peerless Indemnity Insurance Company v. LFG, Saffari, Cobb, and Cunningham,  
Case No. 2:15-cv-02390-APG-CWH, United States District Court, Las Vegas.

1 Civil actions 1 and 2 have been consolidated and as of the Petition Date, documents have  
2 been exchanged in accordance with NRCP 16.1.

3 In these cases, LFG's claims against Novotak are essentially contingent assets which LFG  
4 may pursue against Novotak. [Note: on August 24, 2016, the parties to these consolidated actions  
5 participated in a voluntary settlement conference conducted by retired District Court judge Brent  
6 Adams. No settlement was reached. Following that conference, LFG consented to the lifting of  
7 the automatic stay to permit Novotak to pursue claims in state court on the condition that any  
8 recovery would be limited to available insurance proceeds, if any.  
9

10 In the event the settlement conference is unsuccessful, LFG reserves the right to pursue its  
11 affirmative claims against Novotak.

12 Civil action 3, Peerless Indemnity v. LFG, et al. is a declaratory relief action pending in  
13 federal court. Peerless seeks a determination that LFG, Saffari, Cobb and/or Cunningham are not  
14 entitled to coverage under a Commercial General Liability Policy or a Commercial Umbrella  
15 Liability Policy.  
16

17 LFG has not filed an answer to the Peerless action; however, in the event it is required to  
18 do so, available coverage is deemed by LFG to be an asset of the bankruptcy estate.

19 **Leap Forward Gaming, Inc.**

20 By /S/ Darby Bryant  
21 Darby Bryant, CFO/Controller

22 DATED: August 25, 2016.

23 **HARTMAN & HARTMAN**

24 /S/ Jeffrey L. Hartman  
25 Jeffrey L. Hartman  
26 Attorney for Debtor  
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